



## **CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

### **2020 NON-COMPETITIVE 4% TCAC APPLICATION FOR LOW-INCOME HOUSING TAX CREDITS FEDERAL CREDIT WITH TAX-EXEMPT BONDS, INCLUDING STATE CREDITS (\$500M /Farmworker) (ATTACHMENT 40 FOR CDLAC-TCAC JOINT APPLICATION)**

April 17, 2020 Version

#### **II. APPLICATION - SECTION 1: TCAC APPLICANT STATEMENT AND CERTIFICATION**

**TCAC APPLICANT:** Front & Beech SH, L.P.

**PROJECT NAME:** Front & Beech Apartments

#### **PLEASE INCLUDE APPLICATION FEE WITH APPLICATION SUBMISSION**

Check Only

The undersigned TCAC Applicant hereby makes application to the California Tax Credit Allocation Committee ("TCAC") for a reservation of Federal and State Low-Income Housing Tax Credits ("Credits") in the amount(s) of:

|                    |                        |
|--------------------|------------------------|
| <u>\$1,289,832</u> | annual Federal Credits |
| <u>\$9,186,796</u> | total State Credits    |

for the purpose of providing low-income rental housing as herein described. I understand that Credit amount preliminarily reserved for this project, if any, may be adjusted over time based upon changing project costs and financial feasibility analyses which TCAC is required to perform on at least three occasions.

Election to sell ("certificate") state credits: No By selecting "Yes" or "No" in the box immediately before, I hereby make an election to sell ("certificate") or not sell all or any portion of the state credit, as allowed pursuant to Revenue and Taxation Code Sections 12206(o), 17058(q), and 23610.5(r). I further certify that the applicant is a non-profit entity, and that the state credit price will not be less than eighty (80) cents per dollar of credit. I acknowledge that if I elect to sell ("certificate") all or any portion of the state credit, I may, only once, revoke an election to sell at any time before CTCAC issues the Form(s) 3521A for the project.

I agree it is my responsibility to provide TCAC with the original complete application as well as such other information as TCAC requests as necessary to evaluate my application. I represent that if a reservation or allocation of Credit is made as a result of this application, I will also furnish promptly such other supporting information and documents as may be requested. I understand that TCAC may verify information provided and analyze materials submitted as well as conduct its own investigation to evaluate the application. I recognize that I have an affirmative duty to inform TCAC when any information in the application or supplemental materials is no longer true and to supply TCAC with the latest and accurate information.

I certify that the numbers describing project cost, development budget, financing amounts, operating subsidies, unit mix and targeting, and all related application documents are the same as those provided in applications submitted to CDLAC, CalHFA, and HCD, as applicable. I certify that any applications, revisions, or updates provided to TCAC, CDLAC, CalHFA, or HCD will be provided to all other of these state agencies providing financing, tax credits, or subsidies to the project.

I acknowledge that if I receive a reservation of Tax Credits, I will be required to submit requisite documentation at the following stages: updated development timetable under regulation section 10326(j)(4), and the time the project is placed-in-service.

I represent I have read Section 42 of the Internal Revenue Code (IRC) pertaining to Federal Tax Credits, and if applying for State Tax Credits, I represent I have also read California Health and Safety Code Sections 50199.4 et seq. and California Revenue and Taxation Code Sections 12206, 17058, and 23610.5 pertaining to the State Tax Credit program. I understand that the Federal and State Tax Credit programs are complex and involve long-term maintenance of housing for qualified low-income households. I acknowledge that TCAC has recommended that I seek advice from my own tax attorney or tax advisor.

I certify that I have read and understand the provisions of Sections 10322(a) through (h) related to application filing deadlines, forms, incomplete applications, and application changes.

I agree to hold TCAC, its members, officers, agents, and employees harmless from any matters arising out of or related to the Credit program.

I agree that TCAC will determine the Credit amount to comply with requirements of IRC Section 42 but that TCAC in no way warrants the feasibility or viability of the project to anyone for any purpose. I acknowledge that TCAC makes no representation regarding the effect of any tax Credit which may be allocated and makes no representation regarding the ability to claim any Credit which may be allocated.

I acknowledge that all materials and requirements are subject to change by enactment of federal or state legislation or promulgation of regulations.

In carrying out the development and operation of the project, I agree to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all Credit program requirements, rules, and regulations.

I acknowledge that the Low-Income Housing Tax Credit program is not an entitlement program and that my application will be evaluated based on the Credit statutes, regulations, and the Qualified Allocation Plan adopted by TCAC which identify the priorities and other standards which will be employed to evaluate applications.

I acknowledge that an award of federal or state Tax Credits does not guarantee that the project will qualify for Tax Credits. Both federal law and the state law require that various requirements be met on an ongoing basis. I agree that compliance with these requirements is the responsibility of the applicant.

I acknowledge that the information submitted to TCAC in this application or supplemental thereto may be subject to the Public Records Act or other disclosure. I understand that TCAC may make such information public.

I acknowledge that if I obtain an allocation of Federal or State Tax Credits, I will be required to enter into a regulatory contract that will contain, among other things, all the conditions under which the Credits were provided including the selection criteria delineated in this application.

I declare under penalty of perjury that the information contained in the application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of my knowledge and belief.

I certify and guarantee that each item identified in TCAC's minimum construction standards will be incorporated into the design of the project, unless a waiver has been approved by TCAC. The project will at least maintain the installed energy efficiency and sustainability features' quality when replacing systems and materials. When requesting a threshold basis increase for a prevailing wage requirement, if the project is subject to state prevailing wages, I certify that contractors and subcontractors will comply with California Labor Code Section 1725.5. When requesting a threshold basis increase for development impact fees, the impact fee amounts are accurate as of the application date.

In an application proposing rehabilitation work, I certify that all necessary work identified in the Capital Needs Assessment, including the immediate needs listed in the report, will be performed (unless a waiver is granted) prior to the project's rehabilitation completion.

I understand that any misrepresentation may result in cancellation of Tax Credit reservation, notification of the Internal Revenue Service and the Franchise Tax Board, and any other actions that TCAC is authorized to take pursuant to California Health and Safety Code Section 50199.22, issuance of fines pursuant to California Health and Safety Code Section 50199.10, and negative points per Regulation Section 10325(c)(3) or under general authority of state law.

I certify that I believe that the project can be completed within the development budget and the development timetable set forth (which timetable is in conformance with TCAC rules and regulations) and can be operated in the manner proposed within the operating budget set forth.

I agree that TCAC is not responsible for actions taken by the applicant in reliance on a prospective Tax Credit reservation or allocation.

Dated this 12th day of May, 2020 at

San Diego, California.

By \_\_\_\_\_  
(Original Signature)

James Silverwood  
(Typed or printed name)

President  
(Title)

Local Jurisdiction:

City Manager:

Title:

Mailing Address:

City:

Zip Code:

San Diego Housing Commission

Colin Miller

City Manager

1122 Broadway, Suite 300

San Diego

92101

Phone Number: 619-578-7429 Ext.   
FAX Number:   
E-mail: colinm@sdhc.com

\* For City Manager, please refer to the following the website below:  
<http://www.treasurer.ca.gov/ctcac/2018/lra/contact.pdf>

## II. APPLICATION - SECTION 2: GENERAL AND SUMMARY INFORMATION

### A. Application Type

Application type: Preliminary Reservation

Joint Application? CDLAC-TCAC Joint Application (submitting concurrent)

Prior application was submitted but not selected? No

If yes, enter application number: TCAC # CA -        -       

Has credit previously been awarded? No

If re-applying and returning credit, enter the current application number: TCAC # CA -        -       

Is this project a Re-syndication of a current TCAC project? No

If a Resyndication Project, complete the **Resyndication Projects** section below.

### B. Project Information

Project Name: Front & Beech Apartments

Site Address: 1475 Front Street

If address is not established, enter detailed description (i.e. NW corner of 26th and Elm)

City: San Diego County: San Diego

Zip Code: 92101 Census Tract: 0056.00

Assessor's Parcel Number(s): 533-422-01, 02 and 03

Project is located in a DDA: Yes \*Federal Congressional District: 52

Project is located in a Qualified Census Tract: No \*State Assembly District: 78

Project is a Scattered Site Project: No \*State Senate District: 39

Project is **Rural** as defined by TCAC Regulation Section 10302(kk) No

\*Accurate information is essential; the following website is provided for reference:

<https://www.govtrack.us/congress/members/map>

<http://findyourrep.legislature.ca.gov/>

### C. Credit Amount Requested

Federal \$1,289,832

State \$9,186,796

State Farmworker Credit? No

### D. Federal Minimum Set-Aside Election (IRC Section 42(g)(1))

40%/60% Average Income

### E. Housing Type Selection

Non-Targeted If Special Needs housing, enter number of Special Needs units:       

(Note: Housing Type is used to establish operating expense minimums under regulation section 10327(g)(1))

### F. Geographic Area (Reg. Section 10315(i))

Please select the project's geographic area:

San Diego County

## II. APPLICATION - SECTION 3: APPLICANT INFORMATION

### A. Identify TCAC Applicant

|  |     |
|--|-----|
| Applicant is the current owner and will retain ownership:  | Yes |
| Applicant will be or is a general partner in the to be formed or formed final ownership entity:        | N/A |
| Applicant is the project developer and will be part of the final ownership entity for the project:     | N/A |
| Applicant is the project developer and will not be part of the final ownership entity for the project: | N/A |

### B. TCAC Applicant Contact Information

|                 |   |
|-----------------|---|
| Applicant Name: | Front & Beech SH, L.P.                  |
| Street Address: | 13520 Evening Creek Drive N., Suite 160 |
| City:           | San Diego State: CA Zip Code: 92128     |
| Contact Person: | Cristina Martinez                       |
| Phone:          | 858-386-5170 Ext.: Fax: 858-679-9076    |
| Email:          | cristina@affirmedhousing.com            |

|                               |                     |                 |                              |
|-------------------------------|---------------------|-----------------|------------------------------|
| C. Legal Status of Applicant: | Limited Partnership | Parent Company: | Affirmed Housing Group, Inc. |
| If Other, Specify:            |                     |                 |                              |

### D. General Partner(s) Information (post-closing GPs):

|                            |   |  |
|----------------------------|---|--|
| D(1) General Partner Name: | AHG Front & Beech, LLC                  | Administrative GP                            |
| Street Address:            | 13520 Evening Creek Drive N., Suite 160 | OWNERSHIP                                    |
| City:                      | San Diego State: CA Zip Code: 92128     | INTEREST (%):                                |
| Contact Person:            | Jimmy Silverwood                        | 0.9  |
| Phone:                     | 858-679-2828 Ext.: Fax:                 |  |
| Email:                     | james@affirmedhousing.com               |  |
| Nonprofit/For Profit:      | For Profit                              | Parent Company: Affirmed Housing Group, Inc. |

|                             |                                  |  |
|-----------------------------|----------------------------------|--|
| D(2) General Partner Name:* | Nexus MGP LLC                    | Managing GP  |
| Street Address:             | 18575 Jamboree Road, Suite 600   | OWNERSHIP  |
| City:                       | Irvine State: CA Zip Code: 92612 | INTEREST (%):                                      |
| Contact Person:             | Gina Onweiler                    | 0.1  |
| Phone:                      | 714-678-7511 Ext.: Fax:          |  |
| Email:                      | gina@nexusfah.org                |  |
| Nonprofit/For Profit:       | Nonprofit                        | Parent Company: Nexus for Affordalbe Housing, Inc. |

|                            |                  |                 |
|----------------------------|------------------|-----------------|
| D(3) General Partner Name: |                  | (select one)    |
| Street Address:            |                  | OWNERSHIP       |
| City:                      | State: Zip Code: | INTEREST (%):   |
| Contact Person:            |                  |                 |
| Phone:                     | Ext.: Fax:       |                 |
| Email:                     |                  |                 |
| Nonprofit/For Profit:      | (select one)     | Parent Company: |

### E. General Partner(s) or Principal Owner(s) Type Joint Venture

### F. Status of Ownership Entity

currently exists If to be formed, enter date: \_\_\_\_\_

\*(Federal I.D. No. must be obtained prior to submitting carryover allocation package)

\*If Joint Venture, 2nd GP must be included if applicant is pursuing a property tax exemption Reg. Section 10327(g)(2) - "TBD" not sufficient

**G. Contact Person During Application Process**

|                     |   |        |                    |
|---------------------|---|--------|--------------------|
| Company Name:       | Affirmed Housing Group, Inc.            |        |                    |
| Street Address:     | 13520 Evening Creek Drive N., Suite 160 |        |                    |
| City:               | San Diego                               | State: | CA Zip Code: 92128 |
| Contact Person:     | Cristina Martinez                       |        |                    |
| Phone:              | 858-386-5170                            | Ext.:  | Fax:               |
| Email:              | cristina@affirmedhousing.com            |        |                    |
| Participatory Role: | Developer                               |        |                    |

(e.g., General Partner, Consultant, etc.)

## II. APPLICATION - SECTION 4: DEVELOPMENT TEAM INFORMATION

### A. Indicate and List All Development Team Members

Developer: Affirmed Housing Group, Inc.  
 Address: 13520 Evening Creek Drive N., Su  
 City, State, Zip: San Diego, CA 92101  
 Contact Person: Cristina Martinez  
 Phone: 858-386-5170 Ext.:  
 Fax: 858-679-9076  
 Email: cristina@affirmedhousing.com

Attorney: Katten Muchin Rosenman LLP  
 Address: 2029 Century Park East, Suite 260  
 City, State, Zip: Los Angeles, CA 90067-3012  
 Contact Person: David Cohen  
 Phone: 312-902-5284 Ext.:  
 Fax:  
 Email: david.cohen@kattenlaw.com

Tax Professional: Novogradac and Company LLP  
 Address: 2033 N. Main Street  
 City, State, Zip: Walnut Creek, CA 94596  
 Contact Person: Jim Kroger  
 Phone: 925-949-4222 Ext.:  
 Fax:  
 Email: jim.kroger@novoco.com

CPA: Novogradac and Company LLP  
 Address: 2033 N. Main Street  
 City, State, Zip: Walnut Creek, CA 94596  
 Contact Person: Jim Kroger  
 Phone: 925-949-4222 Ext.:  
 Fax:  
 Email: jim.kroger@novoco.com

Consultant: N/A  
 Address:  
 City, State, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Fax:  
 Email:

Appraiser: Colliers International  
 Address: 9820 Willow Creek Road, Suite 30  
 City, State, Zip: San Diego, CA 92131  
 Contact Person: Michael Thiel, MAI  
 Phone: 949-751-2723 Ext.:  
 Fax:  
 Email: michael.thiel@colliers.com

Architect: Carrier Johnson + Culture  
 Address: 185 West F Street, Suite 500  
 City, State, Zip: San Diego, CA 92101  
 Contact Person: Claudia Escala  
 Phone: 619-687-2476 Ext.:  
 Fax:  
 Email: cce@carrierjohnson.com

General Contractor: TBD  
 Address:  
 City, State, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Fax:  
 Email:

Energy Consultant: Partner Energy  
 Address: 680 Knox Street, Suite 150  
 City, State, Zip: Los Angeles, Ca 90502  
 Contact Person: Lance Collins  
 Phone: 310-862-2399 Ext.:  
 Fax:  
 Email: lcollins@ptenergy.com

Investor: WNC & Associates  
 Address: 17782 Sky Park Circle  
 City, State, Zip: Irvine, CA 92614  
 Contact Person: Jessica Captanis  
 Phone: 949-439-2616 Ext.:  
 Fax:  
 Email: jcaptanis@wncinc.com

Market Analyst: Laurin Associates  
 Address: 1501 Sports Drive, Suite A  
 City, State, Zip: Sacramento, CA 95834  
 Contact Person: Stefanie Williams  
 Phone: 916-372-6100 Ext.:  
 Fax: 916-419-6108  
 Email: swilliams@laurinassociates.com

CNA Consultant: N/A  
 Address:  
 City, State, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Fax:  
 Email:



|                   |                                    |       |  |
|-------------------|------------------------------------|-------|--|
| Bond Issuer:      | California Housing Finance Agency  |       |  |
| Address:          | 500 Capitol Mall, Suite 400 MS 990 |       |  |
| City, State, Zip: | Sacramento, CA 95814               |       |  |
| Contact Person:   | Kevin Brown                        |       |  |
| Phone:            | 916-326-8808                       | Ext.: |  |
| Fax:              | 916-326-6430                       |       |  |
| Email:            | kbrown@calhfa.ca.gov               |       |  |

|                   |                          |                            |
|-------------------|--------------------------|----------------------------|
| Prop. Mgmt. Co.:  | Solari Enterprises, Inc. |                            |
| Address:          | 1507 W Yale Avenue       |                            |
| City, State, Zip: | Orange, CA 92867         |                            |
| Contact Person:   | Gianna Richards          |                            |
| Phone:            | 714-282-2520             | Ext.: <input type="text"/> |
| Fax:              | <input type="text"/>     | <input type="text"/>       |
| Email:            | gianna@solari-ent.com    |                            |

|                      |       |
|----------------------|-------|
| 2nd Prop. Mgmt. Co.: |       |
| Address:             |       |
| City, State, Zip:    |       |
| Contact Person:      |       |
| Phone:               | Ext.: |
| Fax:                 |       |
| Email:               |       |

## II. APPLICATION - SECTION 5: PROJECT INFORMATION

### A. Type of Credit Requested

|  |            |   |            |
|--|------------|---|------------|
| New Construction<br>(may include Adaptive Reuse) | <u>Yes</u> | If yes, will demolition of an existing structure be involved?   | <u>No</u>  |
| Rehabilitation-Only                              | <u>N/A</u> | If yes, will relocation of existing tenants be involved?  | <u>N/A</u> |
| Acquisition & Rehabilitation                     | <u>N/A</u> | Is this an Adaptive Reuse project?  | <u>N/A</u> |
|  |            | If yes, please consult TCAC staff to determine the applicable regulatory requirements (new construction or rehabilitation). |            |

## B. Acquisition and Rehabilitation/Rehabilitation-only Projects

If requesting Acquisition Credit, will the acquisition meet the 10-year placed in service rule as required by IRC Sec. 42(d)(2)(B)(ii)? **N/A**

If no, will it meet the waiver conditions of IRC Sec. 42(d)(6)? N/A

Acquisition basis is established using: N/A

Will the rehabilitation and/or the income and rent restrictions of Sec. 42 cause relocation of existing tenants? N/A

If yes, applicants must submit an explanation of relocation requirements, a detailed relocation plan including a budget with an identified funding source (see Checklist).

Age of Existing Structures  No. of Existing Buildings

| No. of Occupied Buildings | No. of Existing Units |
|---------------------------|-----------------------|
| 1                         | 1                     |
| 2                         | 2                     |
| 3                         | 3                     |
| 4                         | 4                     |
| 5                         | 5                     |
| 6                         | 6                     |
| 7                         | 7                     |
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| 97                        | 97                    |
| 98                        | 98                    |
| 99                        | 99                    |
| 100                       | 100                   |

| No. of Stories |  |   |  |  |
|----------------|--|---|--|--|
| 9              |  | 9 |  |  |

Current Use:

## Resyndication Projects

Current/original TCAC ID: TCAC # CA - [redacted] - [redacted] TCAC # CA - [redacted] - [redacted]

First year of credit:  

|   |                                    |     |
|---|------------------------------------|-----|
| Are Transfer Event provisions applicable? | See questionnaire on TCAC website. | N/A |
|---|------------------------------------|-----|

|   |     |
|---|-----|
| Is the project currently under a Capital Needs Agreement with TCAC? | N/A |
|---|-----|

|  |     |  |
|--|-----|--|
| If so, has the Short Term Work been completed? | N/A | See Checklist, Tab 8 for documentation requirements. |
|--|-----|--|

Is the project subject to hold harmless rent limits? **N/A** If yes, see page 18 and Checklist, Tab 8.

### C. Purchase Information

Name of Seller: Central Auto Parks, LLC Signatory of Seller: Timothy J. Sutherland

|                   |                      |                   |  |
|-------------------|----------------------|-------------------|--|
| Seller Principal: | Timothy J Sutherland | Seller Principal: |  |
|-------------------|----------------------|-------------------|--|

|        |         |        |  |
|--------|---------|--------|--|
| Title: | Manager | Title: |  |
|--------|---------|--------|--|

Seller Address: 4082 W. Adobe Ranch Place Marana, AZ, 85658

|                                      |           |                           |    |
|--------------------------------------|-----------|---------------------------|----|
| Date of Purchase Contract or Option: | 5/14/2018 | Purchased from Affiliate: | No |
|--------------------------------------|-----------|---------------------------|----|

|                            |     |   |  |
|----------------------------|-----|---|--|
| Expiration Date of Option: | N/A | If yes, broker fee amount to affiliate? |  |
|----------------------------|-----|---|--|

|                 |             |                               |          |
|-----------------|-------------|-------------------------------|----------|
| Purchase Price: | \$3,750,000 | Expected escrow closing date: | 12/18/18 |
|-----------------|-------------|-------------------------------|----------|

Phone: 520-820-1062 Ext.: Historical Property/Site: No

|                          |     |                                |     |
|--------------------------|-----|--------------------------------|-----|
| Holding Costs per Month: | N/A | Total Projected Holding Costs: | N/A |
|--------------------------|-----|--------------------------------|-----|

|                       |     |                               |
|-----------------------|-----|-------------------------------|
| Real Estate Tax Rate: | N/A | Purchase price over appraisal |
|-----------------------|-----|-------------------------------|

Amount of SOFT perm financing covering the excess purchase price over appraised value

#### D. Project, Land, Building and Unit Information

**Project Type:** Other (Specify below)

|                                     |     |                                  |   |
|-------------------------------------|-----|----------------------------------|---|
| Two or More Story With an Elevator: | Yes | if yes, enter number of stories: | 7 |
|-------------------------------------|-----|----------------------------------|---|

Two or More Story Without an Elevator: N/A if yes, enter number of stories:           

|  |     |
|--|-----|
| One or More Levels of Subterranean Parking | N/A |
|--|-----|

Other: Affordable rental housing - One building, 7 stories, 78 units on a 10,000 square foot lot.

E. **Land** \_\_\_\_\_ x \_\_\_\_\_ Feet or 0.23 Acres 10,019 Square Feet **Density:** 339.13  
 If irregular, specify measurements in feet, acres, and square feet:

F. **Building Information**

Total Number of Buildings: 1 Residential Buildings: 1  
 Community Buildings: \_\_\_\_\_ Commercial/ Retail Space: N/A

If Commercial/ Retail Space, explain: (include use, size, location, and purpose)

Are Buildings on a Contiguous Site? Yes

If not Contiguous, do buildings meet the requirements of IRC Sec. 42(g)(7)? N/A

Do any buildings have 4 or fewer units? No

If yes, are any of the units to be occupied by the owner or  
 a person related to the owner (IRC Sec. 42(i)(3)(c))? N/A

G. **Project Unit Number and Square Footage**

|  |         |
|--|---------|
| Total number of units:   | 78      |
| Total number of non-Tax Credit Units (i.e. market rate units) (excluding managers' units):       |         |
| Total number of units (excluding managers' units):   | 77      |
| Total number of Low Income Units:  | 77      |
| Ratio of Low Income Units to total units (excluding managers' units):                            | 100.00% |
| Total square footage of all residential units (excluding managers' units):                       | 26,537  |
| Total square footage of Low Income Units:  | 26,537  |
| Ratio of low-income residential to total residential square footage (excluding managers' units): | 100.00% |
| Applicable fraction, smaller of unit or square footage ratio (used on "Basis & Credits"):        | 100.00% |
| Total interior amenity space square footage (TCAC Regulation Section 10325(g)(1)):               | 4,261   |
| Total commercial/ retail space square footage:   |         |
| Total common area square footage (including managers' units):                                    | 16,770  |
| Total parking structure square footage (excludes car-ports and "tuck under" parking):            | 3,122   |
| <b>*Total square footage of all project structures</b> (excluding commercial/retail):            | 50,690  |

\*equals: "total square footage of all residential units" + "total interior amenity space square footage" + "total common area square footage" + "total parking structure square footage")

**Total Project Cost per Unit**

\$467,240

**Total Residential Project Cost per Unit**

\$467,240

**Total Eligible Basis per Unit**

\$392,600

#### H. Tenant Population Data

Completion of this section is required. **The information requested in this section is for national data collection purposes, and is not intended for threshold and competitive scoring use;** however, the completed table should be consistent with information provided in the application and attachments.

Indicate the number of units anticipated for the following populations:

|  |     |
|--|-----|
| Homeless/formerly homeless   | N/A |
| Transitional housing   | N/A |
| Persons with physical, mental, development disabilities              | N/A |
| Persons with HIV/AIDS  | N/A |
| Transition age youth   | N/A |
| Farmworker   | N/A |
| Family Reunification   | N/A |
| Other:   | N/A |
| Units with tenants qualifying as two or more of the above (explain): |     |
|  |     |
|  |     |
| For 4% federal applications only:                                    |     |
| Rural area consistent with TCAC methodology                          | N/A |

## II. APPLICATION - SECTION 6: REQUIRED APPROVALS & DEVELOPMENT TIMETABLE

### A. Required Approvals Necessary to Begin Construction

|   | Approval Dates        |                    |                 |
|---|-----------------------|--------------------|-----------------|
|   | Application Submittal | Estimated Approval | Actual Approval |
| Negative Declaration under CEQA             | N/A                   | N/A                | N/A             |
| NEPA  | 4/1/2019              | N/A                | 5/12/2020       |
| Toxic Report                                | N/A                   | N/A                | N/A             |
| Soils Report                                | N/A                   | N/A                | N/A             |
| Coastal Commission Approval                 | N/A                   | N/A                | N/A             |
| Article 34 of State Constitution            | 5/1/2020              | N/A                | 5/7/2020        |
| Site Plan                                   | 11/28/2018            | N/A                | 2/26/2019       |
| Conditional Use Permit Approved or Required | N/A                   | N/A                | N/A             |
| Variance Approved or Required               | N/A                   | N/A                | N/A             |
| Other Discretionary Reviews and Approvals   | N/A                   | N/A                | N/A             |

|  | Project and Site Information |                        |
|--|------------------------------|------------------------|
| Current Land Use Designation   | Residenital Emphasis         |                        |
| Current Zoning and Maximum Density   | CCPD-RE, 14.8 Max FAR        |                        |
| Proposed Zoning and Maximum Density  | CCPD-RE, 14.8 Max FAR        |                        |
| Occupancy restrictions that run with the land due to CUP's or density bonuses? | No                           | (if yes, explain here) |
| Building Height Requirements   | 95 feet max                  |                        |
| Required Parking Ratio   | none                         |                        |

**B. Development Timetable**

|                               |  | Actual or Scheduled |   |      |
|-------------------------------|--|---------------------|---|------|
|                               |  | Month               | / | Year |
| <b>SITE</b>                   | Environmental Review Completed                       | 5                   | / | 2020 |
|                               | Site Acquired  | 12                  | / | 2018 |
| <b>LOCAL PERMITS</b>          | Conditional Use Permit                               | N/A                 | / |      |
|                               | Variance   | N/A                 | / |      |
|                               | Site Plan Review                                     | 2                   | / | 2019 |
|                               | Grading Permit                                       | 12                  | / | 2020 |
|                               | Building Permit                                      | 12                  | / | 2020 |
| <b>CONSTRUCTION FINANCING</b> | Loan Application                                     | 5                   | / | 2020 |
|                               | Enforceable Commitment                               | 5                   | / | 5050 |
|                               | Closing and Disbursement                             | 1                   | / | 2021 |
| <b>PERMANENT FINANCING</b>    | Loan Application                                     | 5                   | / | 2020 |
|                               | Enforceable Commitment                               | 5                   | / | 2020 |
|                               | Closing and Disbursement                             | 1                   | / | 2021 |
| <b>OTHER LOANS AND GRANTS</b> | Type and Source: <u>San Diego Housing Commission</u> | N/A                 | / |      |
|                               | Application  | 11                  | / | 2019 |
|                               | Closing or Award                                     | 3                   | / | 2020 |
|                               | Type and Source: <u>CalHFA Mixed Income Program</u>  | N/A                 | / |      |
|                               | Application  | 2                   | / | 2020 |
|                               | Closing or Award                                     | 5                   | / | 2020 |
|                               | Type and Source: <u>(specify here)</u>               | N/A                 | / |      |
|                               | Application  | N/A                 | / |      |
|                               | Closing or Award                                     | N/A                 | / |      |
|                               | Type and Source: <u>(specify here)</u>               | N/A                 | / |      |
|                               | Application  | N/A                 | / |      |
|                               | Closing or Award                                     | N/A                 | / |      |
|                               | Type and Source: <u>(specify here)</u>               | N/A                 | / |      |
|                               | Application  | N/A                 | / |      |
|                               | Closing or Award                                     | N/A                 | / |      |
|                               | Type and Source: <u>(specify here)</u>               | N/A                 | / |      |
|                               | Application  | N/A                 | / |      |
|                               | Closing or Award                                     | N/A                 | / |      |
|                               | 10% of Costs Incurred                                | 1                   | / | 2021 |
|                               | Construction Start                                   | 1                   | / | 2021 |
|                               | Construction Completion                              | 6                   | / | 2022 |
|                               | Placed In Service                                    | 6                   | / | 2022 |
|                               | Occupancy of All Low-Income Units                    | 10                  | / | 2022 |

### III. PROJECT FINANCING - SECTION 1: CONSTRUCTION FINANCING

#### A. Construction Financing

List Below All Projected Sources Required To Complete Construction

| Name of Lender/Source                    | Term (months) | Interest Rate | Fixed/Variable | Amount of Funds     |
|--|---------------|---------------|----------------|---------------------|
| 1) Construction Loan - Banner Bank       | 26            | 4.000%        | Variable       | \$20,524,006        |
| 2) San Diego Housing Commission          | 660           | 4.000%        | (select)       | \$4,037,500         |
| 3) Tax Credit Equity (Fed + State) - WNC | N/A           | N/A           | (select)       | \$9,601,792         |
| 4) Costs Deferred Until Perm             | N/A           | N/A           | (select)       | \$2,281,459         |
| 5)                                       |               |               | (select)       |                     |
| 6)                                       |               |               | (select)       |                     |
| 7)                                       |               |               | (select)       |                     |
| 8)                                       |               |               | (select)       |                     |
| 9)                                       |               |               | (select)       |                     |
| 10)                                      |               |               | (select)       |                     |
| 11)                                      |               |               | (select)       |                     |
| 12)                                      |               |               | (select)       |                     |
| <b>Total Funds For Construction:</b>     |               |               |                | <b>\$36,444,757</b> |

1) Lender/Source: Construction Loan - Banner Bank  
 Street Address: 4445 Eastgate Mall, Suite 110  
 City: San Diego, CA 92121  
 Contact Name: Waheed Karim  
 Phone Number: 619-518-2610 Ext.:  
 Type of Financing: Construction Loan  
 Variable Rate Index (if applicable): 30 LIBOR + 200 bps  
 Is the Lender/Source Committed? Yes

2) Lender/Source: San Diego Housing Commission  
 Street Address: 1122 Broadway, Suite 300  
 City: San Diego, CA 92101  
 Contact Name: Colin Miller  
 Phone Number: 619-578-7429 Ext.:  
 Type of Financing: Soft Loan  
 Variable Rate Index (if applicable): N/A  
 Is the Lender/Source Committed? Yes

3) Lender/Source: Tax Credit Equity (Fed + State) - WNC  
 Street Address: 17782 Sky Park Circle  
 City: Irvine, CA 92614  
 Contact Name: Jessica Captanis  
 Phone Number: 949-236-8139 Ext.:  
 Type of Financing: Tax Credit Equity  
 Is the Lender/Source Committed? Yes

4) Lender/Source: Costs Deferred Until Perm  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing: Costs Deferred Until Conversion  
 Is the Lender/Source Committed? Yes

5) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

6) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

7) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

9) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

11) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

8) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

10) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

12) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No



### III. PROJECT FINANCING - SECTION 2: PERMANENT FINANCING

#### A. Permanent Financing

List Below All Projected Sources Required To Complete Construction

| Name of Lender/Source                  | Term<br>(months) | Interest<br>Rate | Residual<br>Receipts /<br>Deferred Pymt. | Annual Debt<br>Service | Amount of<br>Funds  |
|--|------------------|------------------|--|------------------------|---------------------|
| 1) Permanent Loan - Banner Bank        | 204              | 4.400%           |  | \$451,922              | \$8,062,847         |
| 2) San Diego Housing Commission        | 660              | 4.000%           | Residual                                 | \$10,000               | \$4,250,000         |
| 3) CalHFA Mixed Income Program         | 660              | 2.750%           | Residual                                 |                        | \$3,785,968         |
| 4) Deferred Developer Fee              |                  |                  | Deferred                                 |                        | \$1,142,359         |
| 5)                                     |                  |                  |  |                        |                     |
| 6)                                     |                  |                  |  |                        |                     |
| 7)                                     |                  |                  |  |                        |                     |
| 8)                                     |                  |                  |  |                        |                     |
| 9)                                     |                  |                  |  |                        |                     |
| 10)                                    |                  |                  |  |                        |                     |
| 11)                                    |                  |                  |  |                        |                     |
| 12)                                    |                  |                  |  |                        |                     |
| <b>Total Permanent Financing:</b>      |                  |                  |  |                        | <b>\$17,241,174</b> |
| <b>Total Tax Credit Equity:</b>        |                  |                  |  |                        | <b>\$19,203,583</b> |
| <b>Total Sources of Project Funds:</b> |                  |                  |  |                        | <b>\$36,444,757</b> |

1) Lender/Source: Permanent Loan - Banner Bank  
 Street Address: 4445 Eastgate Mall, Suite 110  
 City: San Diego, CA 92121  
 Contact Name: Waheed Karim  
 Phone Number: 619-518-2610 Ext.:  
 Type of Financing: Permanent Loan  
 Is the Lender/Source Committed? Yes

2) Lender/Source: San Diego Housing Commission  
 Street Address: 1122 Braodway, Suite 300  
 City: San Diego, CA 92101  
 Contact Name: Colin Miller  
 Phone Number: 619-578-7429 Ext.:  
 Type of Financing: Residual Receipts Loan  
 Is the Lender/Source Committed? Yes

3) Lender/Source: CalHFA Mixed Income Program  
 Street Address: 500 Capitol Mall, Suite 400 MS 990  
 City: Sacramento, CA 95814  
 Contact Name: Kevin Brown  
 Phone Number: 916-326-8800 Ext.:  
 Type of Financing: Residual Receipts Loan  
 Is the Lender/Source Committed? Yes

4) Lender/Source: Deferred Developer Fee  
 Street Address: 13520 Evening Creek Drive N., Suite 1  
 City: San Diego, CA 92128  
 Contact Name: Cristina Martinez  
 Phone Number: 858-386-5170 Ext.:  
 Type of Financing: Deferred Developer Fee  
 Is the Lender/Source Committed? Yes

5) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

6) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

7) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? **No**

8) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? **No**

9) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? **No**

10) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? **No**

11) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? **No**

12) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? **No**

## B. Tax-Exempt Bond Financing

Will project receive tax-exempt bond financing for more than 50% of the aggregate basis of the building(s) (including land) in the project? (IRC Sec. 42(h)(4)):

**Yes**

CDLAC Allocation?

**No**

Date application was submitted to CDLAC (Reg. Section 10326(h)):

**5/15/2020**

Date of CDLAC application approval, actual or anticipated (Reg. Section 10326(j)(1)):

**8/19/2020**

Estimated date of Bond Issuance (Reg. Section 10326(e)(2)):

**1/15/2021**

Percentage of aggregate basis financed by the bonds? (Reg. Section 10326(e)(2)):

**58.97%**

Name of Bond Issuer (Reg. Section 10326(e)(1)):

**California Housing Finance Agency**

Will project have Credit Enhancement?

**No**

If Yes, identify the entity providing the Credit Enhancement:

Contact Person:

Phone:

Ext.:

What type of enhancement is being provided?

**(select one)**

**(specify here)**

### III. PROJECT FINANCING - SECTION 3: INCOME INFORMATION

#### A. Low Income Units

| (a)<br>Bedroom<br>Type(s) | (b)<br>Number of<br>Units | (c)<br>Proposed<br>Monthly Rent<br>(Less Utilities) | (d)<br>Total Monthly<br>Rents<br>(b x c) | (e)<br>Monthly<br>Utility | (f)<br>Monthly Rent<br>Plus Utilities<br>(c + e) | (g)<br>% of Area<br>Median<br>Income | (h)<br>% of<br>Actual<br>AMI |
|---------------------------|---------------------------|---|--|---------------------------|--|--------------------------------------|------------------------------|
| SRO/Studio                | 32                        | \$554   | \$17,728                                 | \$52                      | \$606  | 30%                                  | 30.0%                        |
| SRO/Studio                | 35                        | \$1,258   | \$44,030                                 | \$52                      | \$1,310  | 80%                                  | 64.8%                        |
| SRO/Studio                | 4                         | \$1,288   | \$5,152                                  | \$52                      | \$1,340  | 80%                                  | 66.3%                        |
| SRO/Studio                | 6                         | \$1,348   | \$8,088                                  | \$52                      | \$1,400  | 80%                                  | 69.2%                        |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
|                           |                           |   |  |                           |  |                                      |                              |
| <b>Total # Units:</b>     | <b>77</b>                 | <b>Total:</b>                                       | <b>\$74,998</b>                          |                           | <b>Average:</b>                                  | <b>59.2%</b>                         |                              |

Is this a resyndication project using hold harmless rent limits in the above table?  
 These rents cannot exceed the federal set-aside current tax credit rent limits.  
 See TCAC Regulation Section 10327(g)(8).

N/A

**B. Manager Units**

State law requires an onsite manager's unit for projects with 16 or more residential units. TCAC Regulation Section 10326(g)(6) requires projects with at least 161 units to provide a second on-site manager's unit, with one additional for each 80 units beyond, up to 4 on-site manager units. Scattered site projects of 16 or more units must have at least one manager unit at each site consisting of 16 or more residential units.

Projects may employ full-time property management staff and provide an equivalent number of desk or security staff for the hours when the property management staff are not working. See TCAC Regulation Section 10325(f)(7)(J) for details on the requirements for this option.

| (a)<br>Bedroom<br>Type(s) | (b)<br>Number of<br>Units | (c)<br>Proposed<br>Monthly Rent<br>(Less Utilities) | (d)<br>Total Monthly<br>Rents<br>(b x c) |
|---------------------------|---------------------------|---|--|
| 2 Bedrooms                | 1                         |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
| <b>Total # Units:</b>     | 1                         | <b>Total:</b>                                       |  |

No

Project with desk or security staff in lieu of on-site manager unit(s)  
See TCAC Regulation Section 10325(f)(7)(J) for complete requirements.

**C. Market Rate Units**

| (a)<br>Bedroom<br>Type(s) | (b)<br>Number of<br>Units | (c)<br>Proposed<br>Monthly Rent<br>(Less Utilities) | (d)<br>Total Monthly<br>Rents<br>(b x c) |
|---------------------------|---------------------------|---|--|
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
|                           |                           |   |  |
| <b>Total # Units:</b>     |                           | <b>Total:</b>                                       |  |

|   |           |
|---|-----------|
| <b>Aggregate Monthly Rents For All Units:</b> | \$74,998  |
| <b>Aggregate Annual Rents For All Units:</b>  | \$899,976 |

**D. Rental Subsidy Income/Operating Subsidy**  
 Complete spreadsheet "Subsidy Contract Calculation"

|   |           |
|---|-----------|
| Number of Units Receiving Assistance:         | 32        |
| Length of Contract (years):                   | 15        |
| Expiration Date of Contract:                  | 7/1/2037  |
| <b>Total Projected Annual Rental Subsidy:</b> | \$290,688 |

**E. Miscellaneous Income**

|   |                    |
|---|--------------------|
| Annual Income from Laundry Facilities:        | \$6,552            |
| Annual Income from Vending Machines:          |                    |
| Annual Interest Income:                       |                    |
| Other Annual Income: App fees, deposits, etc. | \$7,000            |
| <b>Total Miscellaneous Income:</b>            | <b>\$13,552</b>    |
| <b>Total Annual Potential Gross Income:</b>   | <b>\$1,204,216</b> |

**F. Monthly Resident Utility Allowance by Unit Size**

(utility allowances must be itemized and must agree with the applicable utility allowance schedule)

|                       | SRO /<br>STUDIO | 1 BR | 2 BR | 3 BR | 4 BR | ( ) BR |
|-----------------------|-----------------|------|------|------|------|--------|
| Space Heating:        | \$17            |      |      |      |      |        |
| Water Heating:        |                 |      |      |      |      |        |
| Cooking:              | \$7             |      |      |      |      |        |
| Lighting:             |                 |      |      |      |      |        |
| Electricity:          | \$28            |      |      |      |      |        |
| Water:*               |                 |      |      |      |      |        |
| Other: (specify here) |                 |      |      |      |      |        |
| <b>Total:</b>         | <b>\$52</b>     |      |      |      |      |        |

**\*PROJECTS PROPOSING UNITS WITH INDIVIDUAL WATER METERS MUST INCLUDE A WATER ALLOWANCE.**

**Name of PHA or California Energy Commission Providing Utility Allowances:**

San Diego Housing Commission

See Regulation Section 10322(h)(21) for type of projects that are allowed to use CUAC.

**G. Annual Residential Operating Expenses****Administrative**

|                              |                 |
|------------------------------|-----------------|
| Advertising:                 | \$15,000        |
| Legal:                       | \$7,000         |
| Accounting/Audit:            | \$12,000        |
| Security:                    | \$40,000        |
| Other: General Office Costs  | \$12,000        |
| <b>Total Administrative:</b> | <b>\$86,000</b> |

**Management**

|                          |                 |
|--------------------------|-----------------|
| <b>Total Management:</b> | <b>\$68,681</b> |
|--------------------------|-----------------|

**Utilities**

|                         |                 |
|-------------------------|-----------------|
| Fuel:                   |                 |
| Gas:                    | \$8,000         |
| Electricity:            | \$35,000        |
| Water/Sewer:            | \$25,000        |
| <b>Total Utilities:</b> | <b>\$68,000</b> |

**Payroll /  
Payroll Taxes**

|                                       |                  |
|---------------------------------------|------------------|
| On-site Manager:                      | \$55,000         |
| Maintenance Personnel:                | \$75,000         |
| Other: Payroll Burden                 | \$33,000         |
| <b>Total Payroll / Payroll Taxes:</b> | <b>\$163,000</b> |
| <b>Total Insurance:</b>               | <b>\$27,000</b>  |

**Maintenance**

|  |                 |
|--|-----------------|
| Painting:                                      | \$3,000         |
| Repairs:                                       | \$20,000        |
| Trash Removal:                                 | \$15,000        |
| Exterminating:                                 | \$7,000         |
| Grounds:                                       | \$8,000         |
| Elevator:                                      | \$9,000         |
| Other: Fire Monitoring & Cleaning and Building | \$10,000        |
| <b>Total Maintenance:</b>                      | <b>\$72,000</b> |

**Other Operating Expenses**

|                              |                |  |
|------------------------------|----------------|--|
| Other:                       | (specify here) |  |
| Other:                       | (specify here) |  |
| Other:                       | (specify here) |  |
| Other:                       | (specify here) |  |
| Other:                       | (specify here) |  |
| <b>Total Other Expenses:</b> |                |  |

**Total Expenses**

|  |                  |
|--|------------------|
| <b>Total Annual Residential Operating Expenses:</b>                          | <b>\$484,681</b> |
| <b>Total Number of Units in the Project:</b>                                 | <b>78</b>        |
| <b>Total Annual Operating Expenses Per Unit:</b>                             | <b>\$6,213</b>   |
| <b>Total 3-Month Operating Reserve:</b>                                      | <b>\$250,000</b> |
| <b>Total Annual Transit Pass / Internet Expense (site amenity election):</b> |                  |
| <b>Total Annual Services Amenities Budget (from project expenses):</b>       | <b>\$40,000</b>  |
| <b>Total Annual Reserve for Replacement:</b>                                 | <b>\$23,400</b>  |
| <b>Total Annual Real Estate Taxes:</b>                                       | <b>\$5,730</b>   |
| <b>Other (Specify): SDHC Monitoring Fees</b>                                 | <b>\$11,550</b>  |
| <b>Other (Specify): CalHFA Annual Admin Fee + MIP Loan Fee</b>               | <b>\$34,304</b>  |

**H. Commercial Income\***

|  |  |
|--|--|
| Total Annual Commercial/Non-Residential Revenue:           |  |
| Total Annual Commercial/Non-Residential Expenses:          |  |
| Total Annual Commercial/Non-Residential Debt Service:      |  |
| <b>Total Annual Commercial/Non-Residential Net Income:</b> |  |

\*The Sources and Uses Budget must separately detail apportioned amounts for residential and commercial space. Separate cash flow projections shall be provided for residential and commercial space. Income from the residential portion of a project shall not be used to support any negative cash flow of a commercial portion, and commercial income should not support the residential portion (Sections 10322(h)(15), (23); 10327(g)(7)).

### III. PROJECT FINANCING - SECTION 4: LOAN AND GRANT SUBSIDIES

#### A. Inclusion/Exclusion From Eligible Basis

| Funding Sources<br>If lender is not funding source, list source<br>(HOME, CDBG, etc.) <b>NOT</b> lender. |                              | Included in<br>Eligible Basis<br>Yes/No | Amount       |
|--|------------------------------|---|--------------|
| Tax-Exempt Financing   |                              | Yes                                     | \$20,524,006 |
| Taxable Bond Financing   |                              | N/A                                     |              |
| HOME Investment Partnership Act (HOME)   |                              | N/A                                     |              |
| Community Development Block Grant (CDBG)   |                              | N/A                                     |              |
| RHS 514  |                              | N/A                                     |              |
| RHS 515  |                              | N/A                                     |              |
| RHS 516  |                              | N/A                                     |              |
| RHS 538  |                              | N/A                                     |              |
| HOPE VI  |                              | N/A                                     |              |
| McKinney-Vento Homeless Assistance Program   |                              | N/A                                     |              |
| MIP  |                              | N/A                                     |              |
| MHSA   |                              | N/A                                     |              |
| MHP  |                              | N/A                                     |              |
| National Housing Trust Fund (HTF)  |                              | N/A                                     |              |
| Qualified Opportunity Zone Investment  |                              | N/A                                     |              |
| FHA Risk Sharing loan?   | No                           | N/A                                     |              |
| State:   | CalHFA Mixed Income Program  | Yes                                     | \$3,785,968  |
| Local:   | San Diego Housing Commission | Yes                                     | \$4,250,000  |
| Other:   | (specify here)               | N/A                                     |              |
| Other:   | (specify here)               | N/A                                     |              |

#### B. Rental Subsidy Anticipated

Indicate By Percent Of Units Affected, Any Rental Subsidy Expected To Be Available To The Project.

|                   |                               |                   |              |
|-------------------|-------------------------------|-------------------|--------------|
| Approval Date:    | 3/3/2020                      | Approval Date:    |              |
| Source:           | C HUD PBV NonPSH              | Source:           |              |
| If Section 8:     | Project-based vouchers (PBVs) | If Section 8:     | (select one) |
| Percentage:       | 41%                           | Percentage:       |              |
| Units Subsidized: | 32                            | Units Subsidized: |              |
| Amount Per Year:  | \$310,272                     | Amount Per Year:  |              |
| Total Subsidy:    | \$4,654,080                   | Total Subsidy:    |              |
| Term:             | 15                            | Term:             |              |

#### C. Pre-Existing Subsidies (Acq./Rehab. or Rehab-Only projects)

Indicate The Subsidy Amount For Any Of The Following Currently Utilized By The Project.

|                             |              |                         |                |
|-----------------------------|--------------|-------------------------|----------------|
| Sec 221(d)(3) BMIR:         |              | RHS 514:                |                |
| HUD Sec 236:                |              | RHS 515:                |                |
| If Section 236, IRP?        | N/A          | RHS 521 (rent subsidy): |                |
| RHS 538:                    |              | State / Local:          |                |
| HUD Section 8:              |              | Rent Sup / RAP:         |                |
| If Section 8:               | (select one) |                         |                |
| HUD SHP:                    |              |                         |                |
| Will the subsidy continue?: | No           | Other:                  | (specify here) |
| If yes enter amount:        |              | Other amount:           |                |

### III. PROJECT FINANCING - SECTION 5: THRESHOLD BASIS LIMIT

#### A. Threshold Basis Limit

| Unit Size  | Unit Basis Limit | No. of Units                            | (Basis) X (No. of Units) |
|--|------------------|---|--------------------------|
| SRO/STUDIO   | \$255,964        | 77                                      | \$19,709,228             |
| 1 Bedroom  | \$295,124        |   |                          |
| 2 Bedrooms   | \$356,000        | 1                                       | \$356,000                |
| 3 Bedrooms   | \$455,680        |   |                          |
| 4+ Bedrooms  | \$507,656        |   |                          |
| <b>TOTAL UNITS:</b>  |                  | 78                                      |                          |
| <b>TOTAL UNADJUSTED THRESHOLD BASIS LIMIT:</b>   |                  |   | <b>\$20,065,228</b>      |
|  |                  | <b>Yes/No</b>                           |                          |
| <b>(a) Plus (+) 20% basis adjustment - Prevailing Wages</b><br>Adjustment for projects paid in whole or part out of public funds subject to a legal requirement for the payment of state or federal prevailing wages or financed in part by a labor-affiliated organization requiring the employment of construction workers who are paid at least state or federal prevailing wages.<br>List source(s) or labor-affiliated organization(s): |                  | <input checked="" type="checkbox"/> Yes |                          |
| <b>Plus (+) 5% basis adjustment</b><br>For projects that certify that (1) they are subject to a project labor agreement within the meaning of Section 2500(b)(1) of the Public Contract Code, or (2) they will use a skilled and trained workforce as defined by Section 25536.7 of the Health and Safety Code to perform all onsite work within an apprenticeable occupation in the building and construction trades.                       |                  | <input type="checkbox"/> No             |                          |
| <b>(b) Plus (+) 7% basis adjustment - Parking (New Construction)</b><br>For new construction projects required to provide parking beneath residential units (not "tuck under" parking) or through construction of an on-site parking structure of two or more levels.  |                  | <input type="checkbox"/> No             |                          |
| <b>(c) Plus (+) 2% basis adjustment - Daycare</b><br>For projects where a day care center is part of the development.  |                  | <input type="checkbox"/> No             |                          |
| <b>(d) Plus (+) 2% basis adjustment - 100% Special Needs</b><br>For projects where 100 percent of the Low-Income Units are for Special Needs populations.  |                  | <input type="checkbox"/> No             |                          |
| <b>(e) Plus (+) up to 10% basis adjustment - ITEM (e) Features</b><br>For projects applying under Section 10325 or Section 10326 of these regulations that include one or more of the energy efficiency/resource conservation/indoor air quality items   |                  | <input type="checkbox"/> No             |                          |
| <b>(f) Plus (+) the lesser of the associated costs or up to a 15% basis adjustment - Seismic upgrading / Environmental mitigation</b><br>For projects requiring seismic upgrading of existing structures, and/or on-site toxic or other environmental mitigation as certified by the project architect or seismic engineer.<br>If Yes, select type: <input type="text" value="N/A"/>   |                  | <input type="checkbox"/> No             |                          |



|  |  |  |                     |
|--|--|--|---------------------|
| (g)  | <b>Plus (+) Local Development Impact Fees</b><br>Local development impact fees required to be paid to local government entities. Certification from local entities assessing fees also required. <b>WAIVED IMPACT FEES ARE INELIGIBLE.</b>   | <input type="checkbox"/> Yes<br><br>Please Enter Amount: | \$1,227,276         |
| (h)  | <b>Plus (+) 10% basis adjustment - Elevator</b><br>For projects wherein at least 95% of the project's upper floor units are serviced by an elevator.   | <input type="checkbox"/> Yes                             | \$2,006,523         |
| (i)  | <b>Plus (+) 10% basis adjustment - High Opportunity Area</b><br>For a project that is: (i) in a county that has an unadjusted 9% threshold basis limit for a 2-bedroom unit equal to or less than \$400,000; AND (ii) located in a census tract designated on the TCAC/HCD Opportunity Area Map as Highest or High Resource. | <input type="checkbox"/> No                              |                     |
| (j)  | <b>Plus (+) 1% basis adjustment - 50%AMI to 36%AMI Units</b><br>For each 1% of project's Low-Income and Market Rate Units restricted between 36% and 50% of AMI.<br>Rental Units: <input type="text" value="77"/> Total Rental Units @ 50% to 36% of AMI: <input type="text"/>   | <input type="checkbox"/> No                              |                     |
| (k)  | <b>Plus (+) 2% basis adjustment - At or below 35%AMI Units.</b><br>For each 1% of project's Low-Income and Market Rate Units restricted at or below 35% of AMI.<br>Rental Units: <input type="text" value="77"/> Total Rental Units @ 35% of AMI or Below: <input type="text" value="32"/>                                   | <input type="checkbox"/> Yes                             | \$16,453,487        |
| <b>TOTAL ADJUSTED THRESHOLD BASIS LIMIT:</b> |  |  | <b>\$39,752,514</b> |

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**ITEM (e) Features**

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**REVIEW REGULATION SECTION 10327(c)(5)(B) PRIOR TO COMPLETING THIS SECTION.  
THE OPTIONS BELOW ARE PRESENTED WITH ABRIDGED LANGUAGE.**

- N/A** 1 Project shall have onsite renewable generation estimated to produce 50% or more of annual tenant electricity use. If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. A project not availing itself of the 90% roof area exception may also receive an increase under paragraph (2) only if the renewable generation used to calculate each basis increase does not overlap. Threshold Basis Limit increase of 5%.
- N/A** 2 Project shall have onsite renewable generation estimated to produce 75% or more of annual common area electricity use. If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. A project not availing itself of the 90% roof area exception may also receive an increase under paragraph (1) only if the renewable generation used to calculate each basis increase does not overlap. Threshold Basis Limit increase of 2%.
- N/A** 3 Newly constructed project buildings shall be more energy efficient than 2019 Energy Efficiency Standards (CA Code of Regulations, Title 24, Part 6) by at least 5, EDR points for energy efficiency alone (not counting solar); except that if the local department has determined that building permit applications submitted on or before December 31, 2019 are complete, then newly constructed project buildings shall be 15% or more energy efficiency than the 2016 Energy Efficiency Standards (CA Code of Regulations, Title 24, Part 6). Threshold Basis Limit increase of 4%.
- N/A** 4 Rehabilitated project buildings shall have an 80% decrease in estimated annual energy use (or improvement in energy efficiency) in the HERS II post rehabilitation. Threshold Basis Limit increase 4%.
- N/A** 5 Irrigate only with reclaimed water, greywater, or rainwater (excluding water used for community gardens), or irrigate with reclaimed water, greywater, or rainwater in an amount that annually equals or exceeds 20,000 gallons or 300 gallons per unit, whichever is less.  
Threshold Basis Limit increase 1%.
- N/A** 6 Community gardens of at least 60 square feet per unit. Permanent site improvements that provide a viable growing space within the project. Threshold Basis Limit increase 1%.
- N/A** 7 Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all kitchens, living rooms, and bathrooms (where no VOC adhesives or backing is also used). Threshold Basis Limit increase 1%.
- N/A** 8 Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all interior floor space other than units (where no VOC adhesives or backing is also used). Threshold Basis Limit increase 2%.
- N/A** 9 For new construction projects only, meet all requirements of the U.S. Environmental Protection Agency Indoor Air Plus Program. Threshold Basis Limit increase 2%.

| IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET |                    |              |             |                   | Permanent Sources              |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
|--|--------------------|--------------|-------------|-------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------|----|----|----|----|----|-----|-----|-----|--------------|-----------------------------|-------------------------|--|
|  | TOTAL PROJECT COST | RES. COST    | COM'L. COST | TAX CREDIT EQUITY | 1)Permanent Loan - Banner Bank | 2)San Diego Housing Commission | 3)CalHFA Mixed Income Program | 4)Deferred Developer Fee | 5) | 6) | 7) | 8) | 9) | 10) | 11) | 12) | SUBTOTAL     | 30% PVC for New Const/Rehab | 30% PVC for Acquisition |  |
| LAND COST/ACQUISITION  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Land Cost or Value   | \$3,750,000        | \$3,750,000  |             |                   | \$3,750,000                    |                                |                               |                          |    |    |    |    |    |     |     |     | \$3,750,000  |                             |                         |  |
| Demolition   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Legal  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Land Lease Rent Prepayment                                       |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Total Land Cost or Value   | \$3,750,000        | \$3,750,000  |             |                   | \$3,750,000                    |                                |                               |                          |    |    |    |    |    |     |     |     | \$3,750,000  |                             |                         |  |
| Existing Improvements Value                                      |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Off-Site Improvements  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Total Acquisition Cost   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Total Land Cost / Acquisition Cost                               | \$3,750,000        | \$3,750,000  |             |                   | \$3,750,000                    |                                |                               |                          |    |    |    |    |    |     |     |     | \$3,750,000  |                             |                         |  |
| Predevelopment Interest/Holding Cost                             | \$429,097          | \$429,097    |             |                   | \$429,097                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$429,097    |                             |                         |  |
| Assumed, Accrued Interest on Existing Debt (Rehab/Acq)           |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Excess Purchase Price Over Appraisal                             |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| REHABILITATION   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Site Work  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Structures   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| General Requirements   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Contractor Overhead  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Contractor Profit  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Prevailing Wages   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| General Liability Insurance                                      |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Other: (Specify)   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Total Rehabilitation Costs                                       |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Total Relocation Expenses  | \$65,000           | \$65,000     |             | \$65,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$65,000     |                             |                         |  |
| NEW CONSTRUCTION   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Site Work  | \$1,070,000        | \$1,070,000  |             |                   |                                | \$1,070,000                    |                               |                          |    |    |    |    |    |     |     |     | \$1,070,000  | \$1,070,000                 |                         |  |
| Structures   | \$15,400,000       | \$15,400,000 |             | \$10,244,642      | \$1,414,390                    |                                | \$3,740,968                   |                          |    |    |    |    |    |     |     |     | \$15,400,000 | \$15,400,000                |                         |  |
| General Requirements   | \$800,000          | \$800,000    |             |                   |                                | \$800,000                      |                               |                          |    |    |    |    |    |     |     |     | \$800,000    | \$800,000                   |                         |  |
| Contractor Overhead  | \$775,000          | \$775,000    |             |                   |                                | \$775,000                      |                               |                          |    |    |    |    |    |     |     |     | \$775,000    | \$775,000                   |                         |  |
| Contractor Profit  | \$750,000          | \$750,000    |             |                   |                                | \$750,000                      |                               |                          |    |    |    |    |    |     |     |     | \$750,000    | \$750,000                   |                         |  |
| Prevailing Wages   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| General Liability Insurance                                      | \$550,000          | \$550,000    |             |                   |                                | \$550,000                      |                               |                          |    |    |    |    |    |     |     |     | \$550,000    | \$550,000                   |                         |  |
| Other: Solar & Site Security                                     | \$350,000          | \$350,000    |             |                   |                                | \$305,000                      | \$45,000                      |                          |    |    |    |    |    |     |     |     | \$350,000    | \$350,000                   |                         |  |
| Total New Construction Costs                                     | \$19,695,000       | \$19,695,000 |             | \$10,244,642      | \$1,414,390                    | \$4,250,000                    | \$3,785,968                   |                          |    |    |    |    |    |     |     |     | \$19,695,000 | \$19,695,000                |                         |  |
| ARCHITECTURAL FEES   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Design   | \$1,153,540        | \$1,153,540  |             | \$1,153,540       |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$1,153,540  | \$1,153,540                 |                         |  |
| Supervision  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Total Architectural Costs  | \$1,153,540        | \$1,153,540  |             | \$1,153,540       |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$1,153,540  | \$1,153,540                 |                         |  |
| Total Survey & Engineering                                       | \$378,300          | \$378,300    |             | \$378,300         |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$378,300    | \$378,300                   |                         |  |
| CONSTRUCTION INTEREST & FEES                                     |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Construction Loan Interest                                       | \$679,000          | \$679,000    |             |                   | \$679,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$679,000    | \$679,000                   |                         |  |
| Origination Fee  | \$167,000          | \$167,000    |             |                   | \$167,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$167,000    | \$167,000                   |                         |  |
| Credit Enhancement/Application Fee                               |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Bond Premium   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Cost of Issuance   | \$225,000          | \$225,000    |             |                   | \$225,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$225,000    |                             |                         |  |
| Title & Recording  | \$22,000           | \$22,000     |             | \$22,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$22,000     | \$22,000                    |                         |  |
| Taxes  | \$65,000           | \$65,000     |             | \$65,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$65,000     | \$65,000                    |                         |  |
| Insurance  | \$225,000          | \$225,000    |             | \$225,000         |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$225,000    | \$225,000                   |                         |  |
| Other: Construction Management                                   | \$150,000          | \$150,000    |             | \$150,000         |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$150,000    | \$150,000                   |                         |  |
| Other:Construction Service Fees (Bank)                           | \$35,000           | \$35,000     |             | \$35,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$35,000     | \$35,000                    |                         |  |
| Total Construction Interest & Fees                               | \$1,568,000        | \$1,568,000  |             | \$497,000         | \$1,071,000                    |                                |                               |                          |    |    |    |    |    |     |     |     | \$1,568,000  | \$1,343,000                 |                         |  |
| PERMANENT FINANCING  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Loan Origination Fee   | \$68,500           | \$68,500     |             |                   | \$68,500                       |                                |                               |                          |    |    |    |    |    |     |     |     | \$68,500     |                             |                         |  |
| Credit Enhancement/Application Fee                               |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Title & Recording  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Taxes  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Insurance  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Other: SDHC + CalHFA Loan Fee                                    | \$125,360          | \$125,360    |             |                   | \$125,360                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$125,360    |                             |                         |  |
| Other: Post Construction Interest                                | \$595,000          | \$595,000    |             |                   | \$595,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$595,000    |                             |                         |  |
| Total Permanent Financing Costs                                  | \$788,860          | \$788,860    |             |                   | \$788,860                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$788,860    |                             |                         |  |
| Subtotals Forward  | \$27,827,797       | \$27,827,797 |             | \$12,338,482      | \$7,453,347                    | \$4,250,000                    | \$3,785,968                   |                          |    |    |    |    |    |     |     |     | \$27,827,797 | \$22,569,840                |                         |  |
| LEGAL FEES   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |  |
| Lender Legal Paid by Applicant                                   | \$102,500          | \$102,500    |             |                   | \$102,500                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$102,500    | \$84,500                    |                         |  |
| Other: Partnership & Transaction                                 | \$85,000           | \$85,000     |             |                   | \$85,000                       |                                |                               |                          |    |    |    |    |    |     |     |     | \$85,000     | \$51,000                    |                         |  |
| Total Attorney Costs   | \$187,500          | \$187,500    |             |                   | \$187,500                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$187,500    | \$135,500                   |                         |  |

| IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET    |                    |              |             |                   | Permanent Sources              |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
|---|--------------------|--------------|-------------|-------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------|----|----|----|----|----|-----|-----|-----|--------------|-----------------------------|-------------------------|
|   | TOTAL PROJECT COST | RES. COST    | COM'L. COST | TAX CREDIT EQUITY | 1)Permanent Loan - Banner Bank | 2)San Diego Housing Commission | 3)CalHFA Mixed Income Program | 4)Deferred Developer Fee | 5) | 6) | 7) | 8) | 9) | 10) | 11) | 12) | SUBTOTAL     | 30% PVC for New Const/Rehab | 30% PVC for Acquisition |
| RESERVES  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Rent Reserves   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Capitalized Rent Reserves   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Required Capitalized Replacement Reserve                            |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| 3-Month Operating Reserve   | \$250,000          | \$250,000    |             |                   | \$250,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$250,000    |                             |                         |
| Other: (Specify)  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Total Reserve Costs   | \$250,000          | \$250,000    |             |                   | \$250,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$250,000    |                             |                         |
| CONTINGENCY COSTS   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Construction Hard Cost Contingency                                  | \$1,576,000        | \$1,576,000  |             | \$1,576,000       |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$1,576,000  | \$1,576,000                 |                         |
| Soft Cost Contingency   | \$487,325          | \$487,325    |             | \$487,325         |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$487,325    | \$487,325                   |                         |
| Total Contingency Costs   | \$2,063,325        | \$2,063,325  |             | \$2,063,325       |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$2,063,325  | \$2,063,325                 |                         |
| OTHER PROJECT COSTS   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| TCAC App/Allocation/Monitoring Fees                                 | \$107,000          | \$107,000    |             |                   | \$107,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$107,000    |                             |                         |
| Environmental Audit   | \$22,000           | \$22,000     |             | \$22,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$22,000     | \$22,000                    |                         |
| Local Development Impact Fees                                       | \$1,227,276        | \$1,227,276  |             | \$1,227,276       |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$1,227,276  | \$1,227,276                 |                         |
| Permit Processing Fees  | \$352,000          | \$352,000    |             | \$352,000         |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$352,000    | \$352,000                   |                         |
| Capital Fees  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Marketing   | \$65,000           | \$65,000     |             |                   | \$65,000                       |                                |                               |                          |    |    |    |    |    |     |     |     | \$65,000     |                             |                         |
| Furnishings   | \$500,500          | \$500,500    |             | \$500,500         |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$500,500    | \$500,500                   |                         |
| Market Study  | \$10,000           | \$10,000     |             | \$10,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$10,000     | \$10,000                    |                         |
| Accounting/Reimbursables  | \$25,000           | \$25,000     |             | \$25,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$25,000     | \$25,000                    |                         |
| Appraisal Costs   | \$10,000           | \$10,000     |             | \$10,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$10,000     | \$10,000                    |                         |
| Other: Lease-Up Fees  | \$90,000           | \$90,000     |             | \$90,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$90,000     |                             |                         |
| Other: Community Outreach   | \$65,000           | \$65,000     |             | \$65,000          |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$65,000     | \$65,000                    |                         |
| Other: (Specify)  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Other: (Specify)  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Other: (Specify)  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Total Other Costs   | \$2,473,776        | \$2,473,776  |             | \$2,301,776       | \$172,000                      |                                |                               |                          |    |    |    |    |    |     |     |     | \$2,473,776  | \$2,211,776                 |                         |
| SUBTOTAL PROJECT COST   | \$32,802,398       | \$32,802,398 |             | \$16,703,583      | \$8,062,847                    | \$4,250,000                    | \$3,785,968                   |                          |    |    |    |    |    |     |     |     | \$32,802,398 | \$26,980,441                |                         |
| DEVELOPER COSTS   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Developer Overhead/Profit   | \$3,642,359        | \$3,642,359  |             | \$2,500,000       |                                |                                |                               | \$1,142,359              |    |    |    |    |    |     |     |     | \$3,642,359  | \$3,642,359                 |                         |
| Consultant/Processing Agent   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Project Administration  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Broker Fees Paid to a Related Party                                 |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Construction Oversight by Developer                                 |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Other: (Specify)  |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Total Developer Costs   | \$3,642,359        | \$3,642,359  |             | \$2,500,000       |                                |                                |                               | \$1,142,359              |    |    |    |    |    |     |     |     | \$3,642,359  | \$3,642,359                 |                         |
| TOTAL PROJECT COSTS   | \$36,444,757       | \$36,444,757 |             | \$19,203,583      | \$8,062,847                    | \$4,250,000                    | \$3,785,968                   | \$1,142,359              |    |    |    |    |    |     |     |     | \$36,444,757 | \$30,622,800                |                         |
| Note: Syndication Costs shall NOT be included as a project cost.    |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Calculate Maximum Developer Fee using the eligible basis subtotals. |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Bridge Loan Expense During Construction:                            |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     |              |                             |                         |
| Total Eligible Basis:   |                    |              |             |                   |                                |                                |                               |                          |    |    |    |    |    |     |     |     | \$30,622,800 |                             |                         |

Funding sources and costs should be aligned appropriately. For example, public funding sources for land purchase or construction costs should be shown as paying for these costs. Do not randomly select funding sources for line item costs if they have a dedicated source of payment.

Required: evidence of land value (see Tab 1). Land value must be included in Total Project Cost and Sources and Uses Budget (includes donated or leased land). Except for non-competitive projects with donated land, TCAC will not accept a budget with a nominal land value. Please refer to the TCAC website for additional information and guidance.

Note: The conditional formatting embedded in this Sources and Uses Budget workbook tests only for mathematical errors, i.e. whether sum total of Sources (Column R) matches Total Project Cost (Column B) and whether each source listed in the Sources and Uses Budget workbook (Row 105) matches that of Permanent Financing in the Application workbook (Row 108). The conditional formatting does NOT test for any regulatory threshold or feasibility requirements. Applicants are advised to conduct their own due diligence and not rely upon the conditional formatting in this workbook.

FOR PLACED IN SERVICE APPLICATION SUBMISSIONS:

|  |  |
|--|--|
| SYNDICATION (Investor & General Partner) |  |
| Organizational Fee                       |  |
| Bridge Loan Fees/Exp.                    |  |
| Legal Fees                               |  |
| Consultant Fees                          |  |
| Accountant Fees                          |  |
| Tax Opinion                              |  |
| Other                                    |  |

CERTIFICATION BY OWNER:  
As owner(s) of the above-referenced low-income housing project, I certify under penalty of perjury, that the project costs contained herein are, to the best of my knowledge, accurate and actual costs associated with the construction, acquisition and/or rehabilitation of this project and that the sources of funds shown are the only funds received by the Partnership for the development of the project. I authorize the California Tax Credit Allocation Committee to utilize this information to calculate the low-income housing tax credit.

|                                    |                    |
|------------------------------------|--------------------|
| Signature of Owner/General Partner | Date               |
| Printed Name of Signatory          | Title of Signatory |

Total Syndication Costs

CERTIFICATION OF CPA/TAX PROFESSIONAL:  
As the tax professional for the above-referenced low-income housing project, I certify under penalty of perjury, that the percentage of aggregate basis financed by tax-exempt bonds is:

Signature of Project CPA/Tax Professional

Date

## V. BASIS AND CREDITS : 4% FEDERAL AND STATE CREDIT

### V. BASIS AND CREDITS : 4% FEDERAL AND STATE CREDIT

#### A. Determination of Eligible and Qualified Basis

Projects w/ building(s) located in DDA/QCT areas & Non-DDA/Non-QCT areas, bifurcate accordingly.

|  | 30% PVC for<br>New Const/<br>Rehabilitation<br>DDA/QCT<br>Building(s) | 30% PVC for<br>New Const/<br>Rehabilitation<br>NON-DDA/<br>NON-QCT<br>Building(s) | 30% PVC for<br>Acquisition<br>DDA/QCT<br>Building(s) | 30% PVC for<br>Acquisition<br>NON-DDA/<br>NON-QCT<br>Building(s) |
|--|---|---|--|--|
| <b>Total Eligible Basis:</b>   | \$30,622,800  |   |  |  |
| <b>Ineligible Amounts</b>  |   |   |  |  |
| Subtract All Grant Proceeds Used to Finance Costs in Eligible Basis: |   |   |  |  |
| Subtract Non-Qualified Non-Recourse Financing:                       |   |   |  |  |
| Subtract Non-Qualifying Portion of Higher Quality Units:             |   |   |  |  |
| Subtract Photovoltaic Credit (as applicable):                        |   |   |  |  |
| Subtract Historic Credit (residential portion only):                 |   |   |  |  |
| Subtract (specify other ineligible amounts):                         |   |   |  |  |
| Subtract (specify other ineligible amounts):                         |   |   |  |  |
| <b>Total Ineligible Amounts:</b>                                     |   |   |  |  |
| <b>*Total Eligible Basis Amount Voluntarily Excluded:</b>            |   |   |  |  |
| <b>Total Basis Reduction:</b>  |   |   |  |  |
| <b>Total Requested Unadjusted Eligible Basis:</b>                    | \$30,622,800  |   |  |  |
| <b>Total Adjusted Threshold Basis Limit:</b>                         | \$39,752,514  |   |  |  |
| <b>**QCT or DDA Adjustment:</b>                                      | 130%  | 100%  | 100%   | 100%   |
| <b>Total Adjusted Eligible Basis:</b>                                | \$39,809,640  |   |  |  |
| Applicable Fraction:   | 100%  | 100%  | 100%   | 100%   |
| <b>Qualified Basis:</b>  | \$39,809,640  |   |  |  |
| <b>Total Qualified Basis:</b>  | \$39,809,640  |   |  |  |

\*Voluntary exclusions of eligible basis should be made from rehabilitation eligible basis.

\*\*130% boost if the building(s) is/are located in a DDA or QCT, or Reg. Section 10317(d) as applicable.

(Boost is auto calculated from your selection in: II. APPLICATION - SECTION 2: GENERAL AND SUMMARY INFORMATION - B)

#### B. Determination of Federal Credit

|  | New Const/<br>Rehab | Acquisition |
|--|---------------------|-------------|
| <b>Qualified Basis:</b>                      | \$39,809,640        |             |
| <b>***Applicable Percentage:</b>             | 3.24%               | 3.24%       |
| <b>Subtotal Annual Federal Credit:</b>       | \$1,289,832         |             |
| <b>Total Combined Annual Federal Credit:</b> | \$1,289,832         |             |

\*\*\*Applicants are required to use these percentages in calculating credit at the application stage.

## Federal Credit

### C. Determination of Minimum Federal Credit Necessary For Feasibility

|                           |              |
|---------------------------|--------------|
| Total Project Cost        | \$36,444,757 |
| Permanent Financing       | \$17,241,174 |
| Funding Gap               | \$19,203,583 |
| Federal Tax Credit Factor | \$0.96000    |

Federal tax credit factor must be at least \$1.00 for self-syndication projects or at least \$0.85 for all other projects.

|   |              |
|---|--------------|
| Total Credits Necessary for Feasibility         | \$20,003,732 |
| Annual Federal Credit Necessary for Feasibility | \$2,000,373  |
| Maximum Annual Federal Credits                  | \$1,289,832  |
| Equity Raised From Federal Credit               | \$12,382,387 |

|                       |             |
|-----------------------|-------------|
| Remaining Funding Gap | \$6,821,196 |
|-----------------------|-------------|

## \$500M State Credit

### D. Determination of State Credit

|  | NC/Rehab     | Acquisition |
|--|--------------|-------------|
| State Credit Basis   | \$30,622,800 |             |
| New construction or rehabilitation basis only;<br>No acquisition basis except for At-Risk projects eligible for State Credit |              |             |
| Factor Amount  | 30%          | 30%         |
| Maximum Total State Credit   | \$9,186,840  | \$0         |

### E. Determination of Minimum State Credit Necessary for Feasibility

|                         |           |
|-------------------------|-----------|
| State Tax Credit Factor | \$0.74250 |
|-------------------------|-----------|

State tax credit factor must be at least \$0.80 for "certified" state credits; at least \$0.79 for self-syndication projects; or at least \$0.70 for all other projects.

|  |             |
|--|-------------|
| State Credit Necessary for Feasibility | \$9,186,796 |
| Maximum State Credit                   | \$9,186,796 |
| Equity Raised from State Credit        | \$6,821,196 |

|                       |     |
|-----------------------|-----|
| Remaining Funding Gap | \$0 |
|-----------------------|-----|

## Ranking - \$500M State Credit Applications

### F. Ranking System for \$500M State Credit Applications

|                                      |              |
|--------------------------------------|--------------|
| State Tax Credit per Tax Credit Unit | \$117,779.44 |
| Tax Credit Unit per State Tax Credit | 0.0000084904 |

15 YEAR PROJECT CASH FLOW PROJECTIONS - Refer to TCAC Regulation Sections 10322(h)(22), 10325(f)(5), 10326(g)(4), 10327(f) and (g).

| REVENUE                             | MULTIPLIER  | YEAR 1      | YEAR 2      | YEAR 3      | YEAR 4      | YEAR 5      | YEAR 6      | YEAR 7      | YEAR 8      | YEAR 9      | YEAR 10     | YEAR 11     | YEAR 12     | YEAR 13     | YEAR 14     | YEAR 15     |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Gross Rent                          | 1.025       | \$899,976   | \$922,475   | \$945,537   | \$969,176   | \$993,405   | \$1,018,240 | \$1,043,696 | \$1,069,789 | \$1,096,533 | \$1,123,947 | \$1,152,045 | \$1,180,847 | \$1,210,368 | \$1,240,627 | \$1,271,643 |
| Less Vacancy                        | 5.00%       | -44,999     | -46,124     | -47,277     | -48,459     | -49,670     | -50,912     | -52,185     | -53,489     | -54,827     | -56,197     | -57,602     | -59,042     | -60,518     | -62,031     | -63,582     |
| Rental Subsidy                      | 1.025       | 290,688     | 297,955     | 305,404     | 313,039     | 320,865     | 328,887     | 337,109     | 345,537     | 354,175     | 363,029     | 372,105     | 381,408     | 390,943     | 400,717     | 410,735     |
| Less Vacancy                        | 5.00%       | -14,534     | -14,898     | -15,270     | -15,652     | -16,043     | -16,444     | -16,855     | -17,277     | -17,709     | -18,151     | -18,605     | -19,070     | -19,547     | -20,036     | -20,537     |
| Miscellaneous Income                | 1.025       | 13,552      | 13,891      | 14,238      | 14,594      | 14,959      | 15,333      | 15,716      | 16,109      | 16,512      | 16,925      | 17,348      | 17,781      | 18,226      | 18,682      | 19,149      |
| Less Vacancy                        | 5.00%       | -678        | -695        | -712        | -730        | -748        | -767        | -786        | -805        | -826        | -846        | -867        | -889        | -911        | -934        | -957        |
| Total Revenue                       |             | \$1,144,005 | \$1,172,605 | \$1,201,920 | \$1,231,968 | \$1,262,768 | \$1,294,337 | \$1,326,695 | \$1,359,863 | \$1,393,859 | \$1,428,706 | \$1,464,423 | \$1,501,034 | \$1,538,560 | \$1,577,024 | \$1,616,449 |
| EXPENSES                            |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| Operating Expenses:                 | 1.035       |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| Administrative                      |             | \$86,000    | \$89,010    | \$92,125    | \$95,350    | \$98,687    | \$102,141   | \$105,716   | \$109,416   | \$113,246   | \$117,209   | \$121,311   | \$125,557   | \$129,952   | \$134,500   | \$139,208   |
| Management                          |             | 68,681      | 70,398      | 72,158      | 73,962      | 75,811      | 77,706      | 79,649      | 81,640      | 83,681      | 85,773      | 87,917      | 90,115      | 92,368      | 94,678      | 97,044      |
| Utilities                           |             | 68,000      | 70,380      | 72,843      | 75,393      | 78,032      | 80,763      | 83,589      | 86,515      | 89,543      | 92,677      | 95,921      | 99,278      | 102,753     | 106,349     | 110,071     |
| Payroll & Payroll Taxes             |             | 163,000     | 168,705     | 174,610     | 180,721     | 187,046     | 193,593     | 200,369     | 207,382     | 214,640     | 222,152     | 229,928     | 237,975     | 246,304     | 254,925     | 263,847     |
| Insurance                           |             | 27,000      | 27,945      | 28,923      | 29,935      | 30,983      | 32,068      | 33,190      | 34,352      | 35,554      | 36,798      | 38,086      | 39,419      | 40,799      | 42,227      | 43,705      |
| Maintenance                         |             | 72,000      | 74,520      | 77,128      | 79,828      | 82,622      | 85,513      | 88,506      | 91,604      | 94,810      | 98,129      | 101,563     | 105,118     | 108,797     | 112,605     | 116,546     |
| Other Operating Expenses (specify): |             | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Total Operating Expenses            |             | \$484,681   | \$500,958   | \$517,788   | \$535,189   | \$553,181   | \$571,784   | \$591,019   | \$610,908   | \$631,474   | \$652,738   | \$674,727   | \$697,463   | \$720,973   | \$745,283   | \$770,421   |
| Transit Pass/Tenant Internet Exper  | 1.035       | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Service Amenities                   | 1.035       | 40,000      | 41,400      | 42,849      | 44,349      | 45,901      | 47,507      | 49,170      | 50,891      | 52,672      | 54,516      | 56,424      | 58,399      | 60,443      | 62,558      | 64,748      |
| Replacement Reserve                 |             | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      | 23,400      |
| Real Estate Taxes                   | 1.020       | 5,730       | 5,845       | 5,961       | 6,081       | 6,202       | 6,326       | 6,453       | 6,582       | 6,714       | 6,848       | 6,985       | 7,125       | 7,267       | 7,412       | 7,561       |
| Other (Specify): SDHC Monitoring I  | 1.035       | 11,550      | 11,954      | 12,373      | 12,806      | 13,254      | 13,718      | 14,198      | 14,695      | 15,209      | 15,741      | 16,292      | 16,863      | 17,453      | 18,064      | 18,696      |
| Other (Specify): CalHFA Annual Ac   | 1.035       | 34,304      | 35,505      | 36,747      | 38,033      | 39,365      | 40,742      | 42,168      | 43,644      | 45,172      | 46,753      | 48,389      | 50,083      | 51,836      | 53,650      | 55,528      |
| Total Expenses                      |             | \$599,665   | \$619,062   | \$639,118   | \$659,857   | \$681,302   | \$703,478   | \$726,409   | \$750,121   | \$774,641   | \$799,997   | \$826,217   | \$853,332   | \$881,371   | \$910,367   | \$940,353   |
| Cash Flow Prior to Debt Service     |             | \$544,340   | \$553,544   | \$562,802   | \$572,111   | \$581,465   | \$590,859   | \$600,287   | \$609,742   | \$619,219   | \$628,709   | \$638,206   | \$647,702   | \$657,189   | \$666,656   | \$676,096   |
| MUST PAY DEBT SERVICE               |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| Permanent Loan - Banner Bank        |             | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     | 451,922     |
| San Diego Housing Commission        |             | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      | 10,000      |
|                                     |             | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Total Debt Service                  |             | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   | \$461,922   |
| Cash Flow After Debt Service        |             | \$82,418    | \$91,622    | \$100,880   | \$110,189   | \$119,543   | \$128,937   | \$138,365   | \$147,820   | \$157,297   | \$166,787   | \$176,284   | \$185,780   | \$195,267   | \$204,734   | \$214,174   |
| Percent of Gross Revenue            |             | 6.84%       | 7.42%       | 7.97%       | 8.50%       | 8.99%       | 9.46%       | 9.91%       | 10.33%      | 10.72%      | 11.09%      | 11.44%      | 11.76%      | 12.06%      | 12.33%      | 12.59%      |
| 25% Debt Service Test               |             | 17.84%      | 19.83%      | 21.84%      | 23.85%      | 25.88%      | 27.91%      | 29.95%      | 32.00%      | 34.05%      | 36.11%      | 38.16%      | 40.22%      | 42.27%      | 44.32%      | 46.37%      |
| Debt Coverage Ratio                 |             | 1.178       | 1.198       | 1.218       | 1.239       | 1.259       | 1.279       | 1.300       | 1.320       | 1.341       | 1.361       | 1.382       | 1.402       | 1.423       | 1.443       | 1.464       |
| OTHER FEES**                        |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| GP Partnership Management Fee       | 1.03        | \$20,000    | \$20,600    | \$21,218    | \$21,855    | \$22,510    | \$23,185    | \$23,881    | \$24,597    | \$25,335    | \$26,095    | \$26,878    | \$27,685    | \$28,515    | \$29,371    | \$30,252    |
| LP Asset Management Fee             | 1.03        | 5,000       | 5,150       | 5,305       | 5,464       | 5,628       | 5,796       | 5,970       | 6,149       | 6,334       | 6,524       | 6,720       | 6,921       | 7,129       | 7,343       | 7,563       |
| Incentive Management Fee            |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| Total Other Fees                    |             | 25,000      | 25,750      | 26,523      | 27,318      | 28,138      | 28,982      | 29,851      | 30,747      | 31,669      | 32,619      | 33,598      | 34,606      | 35,644      | 36,713      | 37,815      |
| Remaining Cash Flow                 |             | \$57,418    | \$65,872    | \$74,358    | \$82,871    | \$91,406    | \$99,955    | \$108,513   | \$117,073   | \$125,627   | \$134,168   | \$142,687   | \$151,175   | \$159,623   | \$168,021   | \$176,359   |
| Deferred Developer Fee**            | \$1,142,359 | \$57,418    | \$65,872    | \$74,358    | \$82,871    | \$91,406    | \$99,955    | \$108,513   | \$117,073   | \$125,627   | \$134,168   | \$142,687   | \$42,410    | \$0         | \$0         | \$0         |
| 2%                                  |             | \$21,699    | \$20,381    | \$18,894    | \$17,237    | \$15,409    | \$13,410    | \$11,239    | \$8,898     | \$6,385     | \$3,702     | \$848       | \$0         | \$0         | \$0         | \$0         |
| balance                             |             | \$1,084,941 | \$1,019,069 | \$944,711   | \$861,840   | \$770,434   | \$670,479   | \$561,965   | \$444,892   | \$319,265   | \$185,097   | \$42,410    | \$0         | \$0         | \$0         | \$0         |
| Residual or Soft Debt Payments**    |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| Affirmed Housing                    | 50%         |             |             |             |             |             |             |             |             |             |             | \$0         | \$54,382    | \$79,811    | \$84,010    | \$88,180    |
| San Diego Housing Commission        | 25%         |             |             |             |             |             |             |             |             |             |             | \$0         | \$27,191    | \$39,906    | \$42,005    | \$44,090    |
| California Housing Financing Agency | 25%         |             |             |             |             |             |             |             |             |             |             | \$0         | \$27,191    | \$39,906    | \$42,005    | \$44,090    |

\*9% and 4% + state credit applications should include the cost of tenant internet service if requested in the Points System site amenity section.

\*\*Other Fees and all payments made from cash flow after must pay debt should be completed according to the terms of the partnership agreement (or equivalent ownership entity terms). Please re-order line items consistent with any "order of priority" terms. **These items are to be completed when submitting an updated application for the Carryover, Readiness, Final Reservation, and Placed-in-Service deadlines.**